Russia shrugs off US court freeze on Yukos auction

AFP, *Moscow*

Russia pushed ahead on Friday with the weekend auction of the core asset of oil giant Yukos despite a US court order barring the sale, a rare legal victory that is unlikely to prevent the state from gaining control.

A US bankruptcy court judge in Houston, Texas, late Thursday ordered a 10-day halt to a planned sale of embattled Yukos's main oil-pumping division, Yuganskneftegaz.

The order by Judge Letitia Clark barred Gazpromneft, a subsidiary of Russian state-controlled gas giant Gazprom widely expected to win control of Yugansk, from taking part in Sunday's auction.

But officials in Moscow organising the sale rejected the ruling, arguing that the US court had no jurisdiction here.

"There is no justification for annulling Sunday's auction. Only the ministry of justice, which bases itself on the decisions of Russian courts, has the authority to do that," a spokesman for the federal property fund, Alexander Komarov, told AFP.

Foreign Minister Sergei Lavrov also insisted that the situation surrounding the auction of Yukos's main subsidiary would be resolved "under Russian law."

And Gazprom said it would not withdraw its bid, although it could open it to legal action in the US courts.

"As of now no one countermanded our parent company Gazprom's decision, and we will take part in the auction," Gazpromneft's spokesman Alexander Stepanenko said in comments broadcast on television, refusing to speak of a possible withdrawal of Western banks backing Gazprom.

The US judge's order stops the participation of French bank BNP Paribas, US financial giant JP Morgan and Germany's Deutsche Bank, which were among financial institution that were to finance Gazprom's bid.

PHOTO: BASIS

Sarwar Alam, president of Bangladesh Association of Software & Information Services (BASIS), and Prashant Rana, general manager of KATALYST, a multi-donor funded venture to promote growth and competitiveness of small businesses, pose for photographs at the signing ceremony of a Memorandum of Understanding (MoU) between the two organisations on Monday in Dhaka. Under the MoU, the two organisations will conduct studies, develop and implement projects in ICT services.

PHOTO: PUBALI BANK

EA Chaudhury, chairman of Pubali Bank Limited, unveils the plaque of Uttara Residential Project, a welfare project of the bank for its employees, recently in Dhaka. Directors, managing director and other high officials of the bank were also present at the function.

Dollar's brief rise runs out of steam

AFP, *London*

The dollar fell on Friday against the yen and against the euro which benefited from a rise in a key indicator of German business confidence to the highest point for eight months.

The single European currency climbed to 1.3292 dollars in early European trading, from 1.3237 late on Thursday in New York.

The dollar stood at 104.28 yen compared with 104.76 on Thursday.

The euro, which had fallen strongly a day earlier on a smaller than expected US external deficit for the third quarter, shot to as high as 1.3317 dollars on Friday following the positive German confidence data.

The German Ifo economic institute reported that its index of business confidence had risen sharply in December to the highest point since April.

Ifo said that the widely watched index rose by 2.1 points to 96.2 points, while analysts had forecast it would fall 0.2 points to 93.9 points.

The rise caught markets off-guard because the index had fallen to 94.1 points in November, its lowest level in 14 months.

"Today's report will take most by surprise," Canadian Imperial Bank of Commerce analyst Audrey Childe-Freeman said.

US trade deficit bulges to record high

AFP, *Washington*

The United States posted Thursday a record current account deficit for the third quarter of 2004, raising fears of a brutal dollar plunge if foreigners flee US assets.

The shortfall in the current account -- trade in goods and services, investment returns and one-way transfers such as aid -- expanded to 164.7 billion dollars from 164.4 billion.

The deficit was unprecedented, but narrower than the 171-billion-dollar hole predicted by Wall Street economists.

"I think it is very worrisome," said Wells Fargo Banks chief economist Sung Won Sohn.

"I think the outlook is going to get worse, not better," he warned. "I don't see this trend changing any time soon despite the sharp dollar depreciation," he said.

A breakdown showed:

-- The US deficit in trade of goods and services expanded to 155.3 billion dollars in the third quarter from 151.3 billion dollars, inflated by the soaring cost of petroleum imports.

-- The surplus on income from investment and from US workers abroad edged up to 5.3 billion dollars from 5.0 billion dollars.

-- One-way transfers out of the country slumped to a net 14.6 billion dollars from 18.3 billion dollars as foreign re-insurers sent money to the United States to pay for hurricane damage.

If it were not for the blip in one-way transfers, the current account deficit would have been much larger, Sohn said.

China may soon make intellectual piracy a crime

REUTERS, *Beijing*

China is to make it easier to fight intellectual property right crimes, a move that may ease US concerns over rampant copying of movies, software and other goods that Washington says costs businesses billions of dollars a year.

"By promulgating and enforcing a new judicial interpretation, what was once a minor intellectual property infringement may soon be a crime," the China Daily quoted an official with the Supreme People's Court as saying.

US business officials, who see the move as a key measure of China's willingness to stamp out the problem, said it could be the next week before the long-awaited guidelines were made public.

Intellectual piracy is widespread in China, with companies such as software titan Microsoft Corp, entertainment giant Time Warner Inc and top carmaker General Motors Corp among those complaining of a lack of enforcement.

DVDs of the latest Hollywood blockbusters sell on street corners for less than $1, while street vendors hawk perfect knock-offs of the latest Nike shoes or Louis Vuitton handbags for a fraction of the cost of the real thing.

Foreign firms have complained that Chinese companies have illegally copied designs for products from automobiles to industrial pumps.

Chinese copyright violations alone cost US companies from $2.5-3.8 billion a year, according to a report issued this week from the office of US Trade Representative (USTR) Robert Zoellick.

The United States has made intellectual property piracy one of its top trade issues with China, and has pressed Beijing to toughen its laws on copyright and patent infringement by punishing violators with jail terms for a criminal offence.

Currently, violators are generally fined as for a civil offence.

PHOTO: FAMOUS FLAVOUR & FRAGRANCE

Alvin Ho, director on behalf of Iberchem, S.A. of Spain, and Mohammed Hasan, chairman of Famous Flavour & Fragrance Limited, a local company, shake hands after signing an agreement on forming a joint venture company on Monday in Dhaka. The joint venture company will manufacture flavour and fragrance used in biscuits, cake, ice cream, soft drinks, medicine, cosmetics, toiletries and tobacco.

Weekly Currency Roundup

December 11-15, 2004

Local FX Market

US dollar strengthened against Bangladeshi taka throughout the week. The dollar's strength against BDT was mainly influenced by heavy import demand and lack of supply in the local market.

Money Market

Bangladesh Bank borrowed BDT 4,398.00 million through the Treasury bill auction held on Sunday, compared with BDT 7,391.00 million in the previous week's bid. Weighted average yields of t-bills of different tenors were almost unchanged from the previous bid.

Call money rate increased in the later part of the week after staying almost flat in the beginning. Call money rate ranged between 5.00-6.00 percent in the beginning of the week. The rate then rose to close the week at 8.00-10.00 percent.

International FX Market

In the beginning of the week, dollar lost its steam against euro and yen amid wariness over US trade and current account deficit data due later in the week. Expectation of deterioration in US external position was forecast to offset any support from widely expected rate hike by US Federal Reserve. Federal Reserve was widely expected to increase its fund rate to 2.25 percent in their FOMC meeting scheduled in the middle of the week.

Dollar held steady against major currencies as market awaited Federal Reserve's rate decision due later in the day. Fed was expected to increase its funds rate for a fifth time this year to 2.25 percent -- which would take the U.S. rates above euro zone rates. The expectation of higher interest rate was perceived to be the only supporting factor for the dollar. Focus was mostly on US trade data for October and industrial production data for November given the recent worries regarding the sustainability of US current account deficit.

Later in the week, dollar lost ground against euro after US Federal Reserve seemed less hawkish on interest rates than the market had expected. As widely expected, Fed raised interest rates by 25 basis points to 2.25 percent. Dollar lost almost 9 percent against euro since early October as market players focused on US current account deficit and funds inflow to USA to cover the gap. News that US trade deficit widened in October to USD 55.5 billion from USD 50.9 billion in the previous month did not have much impact on traders. Meanwhile, Japan had a mixed bag of economic data. Bank of Japan's quarterly "tankan" survey of big manufacturers' sentiment was lower than expected. However, market focused on upward revisions to firms' capital spending plans. Market is now focusing on US capital inflows data for October and current account data for third quarter for more clues on capital flows to USA. Economists are forecasting US current account deficit at USD 170 billion, from USD 166.18 billion in the second quarter of 2004.

-Standard Chartered Bank

STOCK

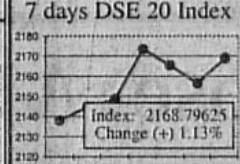
TRADED ISSUES IN THE WEEK

Company	FV/ML (Tk./No.)	DSE Closing	DSE Chg.(%)	DSE Pre.Day	DSE Turnover Share	CSE Closing	CSE Chg.(%)	CSE Pre.Day	CSE Turnover Share	Last AGM	EPS (Tk.)	DPS (%)
BANK												
AB Bank Ltd.	100/5	388.25	0.39	386.75	25565	390.50	-0.26	391.50	2558	27/09/03	4.79	----
City Bank Ltd.	100/5	822.00	-6.54	879.50	3120	0.00	Not	Traded	----	28/04/03	5.56	----
IFIC Bank Ltd.	100/5	404.00	-0.06	404.25	3720	465.00	9.67	424.00	30	07/12/04	15.8	----
Islami Bank BD Ltd.	1000/1	4801.25	-1.69	4883.75	5939	4807.50	-1.36	4874.00	608	17/09/04	162.	----
National Bank Ltd.	100/20	468.00	1.91	459.25	33213	477.25	3.19	462.50	8580	19/09/04	17.0	----
Pubali Bank Ltd.	100/5	1336.25	-4.66	1401.50	8280	1330.00	-5.00	1400.00	75	14/09/04	199.	----
Rupali Bank Ltd.	100/10	743.50	10.31	674.00	52410	749.25	9.74	682.75	38420	----	28.6	----
UCBL	100/5	1206.25	-3.15	1245.50	8675	1201.00	-3.92	1250.00	60	15/09/99	15.6	----
Uttara Bank Ltd.	100/5	2401.25	-1.42	2435.75	12016	2439.00	-2.20	2493.75	155	14/06/04	192.	50.0
The Oriental Bank Ltd.	1000/5	1690.50	-0.06	1691.50	535	----	Not	Listed	----	08/11/03	-921	----
IDLC Ltd.	100/20	1327.75	-4.34	1388.00	4700	1400.00	1.36	1381.25	20	26/05/04	77.5	30.0
Eastern Bank Ltd.	100/20	797.25	-2.39	816.75	1000	930.00	Not	Traded	----	30/06/04	41.2	20.0
United Leasing Co. Ltd.	100/20	2124.00	-1.68	2160.25	10980	----	Not	Listed	----	26/04/04	152.	55.0
Uttara Finance and Invs.	100/50	1129.00	-4.20	1178.50	19350	1101.75	-3.86	1146.00	2250	05/05/04	83.5	25.0
Al Arafa Islami Bank	1000/5	3291.25	-3.06	3395.00	1779	3320.00	-3.56	3442.50	675	19/05/04	216.	----
Prime Bank Ltd.	100/50	734.25	0.03	734.00	94884	755.00	2.48	736.75	6401	16/05/04	36.1	20.0
Southeast Bank Ltd.	100/50	625.25	3.95	601.50	239074	624.75	4.00	600.75	52743	29/09/04	37.8	20.0
Dhaka Bank Ltd.	100/50	826.75	2.19	809.00	41737	820.00	3.80	790.00	19979	27/05/04	40.5	15.0
N C C Bank Ltd.	100/50	515.25	6.24	485.00	158134	513.25	5.66	485.75	35216	25/07/04	12.1	10.0
Social Investment Bank	1000/5	3744.50	-1.36	3796.25	1721	----	Not	Listed	----	02/06/04	331.	----
Dutch Bangla Bank Ltd.	100/50	1820.00	-7.61	1970.00	1318	2000.00	3.90	1925.00	1	21/03/04	101.	20.0
Midas Financing Ltd.	100/50	414.25	-4.39	433.25	24180	411.00	-4.64	431.00	400	16/10/03	6.71	----
Mutual Trust Bank Ltd.	100/50	561.50	0.18	560.50	89250	567.25	1.16	560.75	9171	04/05/04	26.4	----
First Lease Intl. Ltd.	100/50	525.25	-3.00	541.50	48205	524.00	-2.47	537.25	15550	10/05/04	19.5	----
Standard Bank Ltd.	100/50	457.75	-0.54	460.25	78612	459.75	-0.43	461.75	10807	09/06/04	20.0	----
One Bank Ltd.	100/50	432.00	-0.40	433.75	221245	430.00	0.29	428.75	51896	07/06/04	13.1	----
Bank Asia Ltd.	100/50	712.00	-1.21	720.75	56558	720.25	-1.67	732.50	18850	29/06/04	29.0	----
Mercantile Bank Ltd.	100/50	522.50	-2.06	533.50	113212	523.75	-1.55	532.00	10798	14/06/04	27.0	----
Export Import Bank	100/50	738.25	5.77	698.00	287200	740.75	5.90	699.50	53400	----	17.4	----
INVESTMENT												

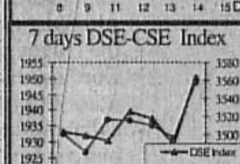
Weekly Market - December 11 - 15, 2004

Indicators	DSE	CSE
General / All Share Price Index	1,950.29635	3,558.1433
Change in Price Index	0.95435%	2.211157%
Total Turnover (Taka)	2,305,278,625.90	521,413,132.80
Total Turnover (Volume)	23,989,864	8,399,274
Number of Contract	73,974	18,016
Total Traded Issues	212	124
No. of Issue Gain (Avg. Price Basis)	113	77
No. of Issue Loss (Avg. Price Basis)	86	43
No. of Unchanged Issue (Avg. P. Basis)	13	4
Market Cap. (Taka)	222,371,010,310	212,945,361,694
Market Cap. (US$)	3,833,982,936	3,671,471,753
Total No. of Listed Securities	256	198
Total No. of Listed Companies	237	185
Total No. of Listed Mutual Fund	11	11
Total No. of Listed Debenture	8	2
Total No. of Share & Debenture	525,329,810	414,612,267
Total Issued Capital	49,845,894,860	45,737,339,090
Price Earning Ratio	18.46	18.98
Earning Per Share (%)	28.28	27.36

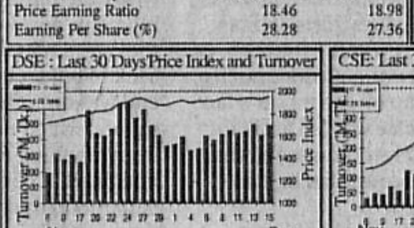
7 days DSE 20 Index



7 days DSE-CSE Index



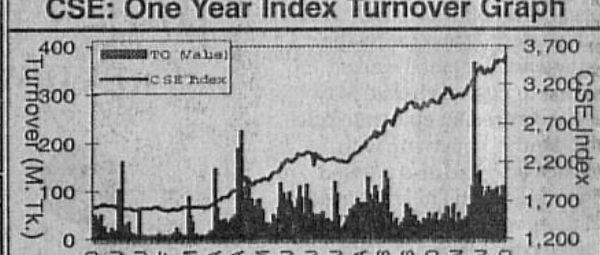
DSE : Last 30 Days Price Index and Turnover



CSE: Last 30 Days Price Index and Turnover

DSE: One Year Index Turnover Graph

CSE: One Year Index Turnover Graph



Turnover Leaders

Company	Vol. (share)	Value ('000Tk.)	% Of Total
Dhaka Stock Exchange			
Export Import Bank	287,200	210,756	8.91
Square Textile	1,256,239	178,373	7.54
Beximco Pharma	1,500,525	151,718	6.41
Southeast Bank Ltd.	239,074	149,134	6.30
Padma Textile Mills Ltd.	3,370,938	137,062	5.79
Bangladesh Online Ltd.	1,411,000	124,577	5.27
One Bank Ltd.	221,245	95,609	4.04
Square Pharma	20,900	83,046	3.51
N C C Bank Ltd.	158,134	80,492	3.40
Prime Bank Ltd.	94,884	69,229	2.93
Chittagong Stock Exchange			
Beximco Pharma	784,366	79,535	14.71
Padma Textile Mills Ltd.	1,385,000	58,212	10.77
Export Import Bank	53,400	39,416	7.29
Lafarge Surma Cement	95,450	37,438	6.92
Southeast Bank Ltd.	52,743	33,010	6.11
Rupali Bank Ltd.	38,420	29,114	5.39
One Bank Ltd.	51,896	22,292	4.12
N C C Bank Ltd.	35,216	17,928	3.32
ISN Ltd.	661,500	17,146	3.17
Dhaka Bank Ltd.	19,979	16,383	3.03

Company	Price (+/- %)	Turnover ('000 Tk.)
Capital Gainers		
Dhaka Stock Exchange		
Renwick Jajneswar Ltd.	47.32	981.44
Rangamati Food	38.71	17.20
Excelsior Shoes Ltd.	33.08	95.29
Bangladesh Online Ltd.	32.29	124,577.2
Gachihhata Aqua.	29.14	808.54
Chittagong Stock Exchange		
Eastern Insurance	52.63	8.70
Gachihhata Aqua.	39.04	186.76
Bangladesh Online Ltd.	32.70	14503.42
BEXIMCO Ltd.	32.39	4484.51
Padma Textile Mills Ltd.	32.09	58211.55
Capital Losers		
Dhaka Stock Exchange		
Eagle Star Textile Ltd.	-26.00	3.16
Mercantile Insurance	-17.99	24,312.68
Al Amin Chemical	-14.29	3.60
Bangla Process	-11.19	3.75
Tallu Spinning Mills Ltd.	-11.11	12.80
Chittagong Stock Exchange		
Perfume Chemical	-26.77	14.68
Gulf Foods Ltd.	-19.48	15.50
Samata Leather	-12.50	11.20
Imam Button Ltd.	-10.77	17.40
Sinobangla Industries Ltd.	-9.60	47.46

Book Closer/AGM/Dividend/IPO

Company	Closer From	Closer to	Div./B/R	AGM/EGM	Date	Venue, Time
BDCOM Online Ltd.	25-Nov	20-Dec	10.00%	AGM	20-Dec	IEB Audi., Ramna, Dhaka 11am
Fu-Wang Food Ltd.	26-Nov	20-Dec	12.00%	AGM	20-Dec	Shooting Complex, Gulshan 10am
Fu-wang Ceramic	26-Nov	21-Dec	5.00%	AGM	21-Dec	Shooting Complex, Gulshan 10am
Miracle Industries Ltd.	23-Nov	21-Dec	10.00%	AGM	21-Dec	Fac. Pre. Gazipur 2pm
Aftab Automobiles Ltd.	23-Nov	21-Dec	18.00%	AGM	21-Dec	BDR Darbar Hall, Pilkhana, 11:30am
Monno Ceramic Ltd.	8-Dec	22-Dec	15.00%	AGM	22-Dec	Darbar Hall, BDR, Pilkhana 9am
Atlas Bangladesh Ltd.	4-Dec	22-Dec	12%, B3	AGM	22-Dec	Reg. Office, Tongi 11am

Non Traded Issues